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INFO USLO PEKING

AMEMBASSY BANGKOK

AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY MANILA

AMEMBASSY MOSCOW

AMEMBASSY RANGOON

AMEMBASSY ROME

AMEMBASSY SINGAPORE

AMEMBASSY TAIPEI

AMEMBASSY TOKYO

AMEMBASSY CANBERRA

COMUSTDC

FBIS OKINAWA

CINCPAC

AMEMBASSY PARIS

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AMEMBASSY ACCRA

AMEMBASSY COLOMBO
AMEMBASSY DAMASCUS

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CINCPAC FOR POLAD

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1. SUMMARY OF ACTIVITIES DURING THE REPORTING PERIOD
THE STILL UNFOLDING ANTI-TENG CAMPAIGN, MORE AND MORE DOMINATING THE CHINA SCENE, FOCUSED IN PART ON UNDESIRABLE ECONOMIC PRACTICES, BUT HAS NOT YET ENCOMPASSED THE ISSUES OF RELATIVE ECONOMIC PRIORITIES OR ECONOMIC RELATIONS WITH FOREIGN COUNTRIES (ITEM 2). USUAL MEDIA NEWS ABOUT PRODUCTION AND DEVELOPMENT HAS BEEN ALMOST ENTIRELY PREEMPTED, EXCEPT FOR A CLAIM ABOUT RECORD AGRICULTURAL CAPITAL CONSTRUCTION (ITEM 3).
THE CAMPAIGN HAS SO FAR HAD NO NOTICEABLE EFFECT ON FOREIGN TRADE (HONG KONG 2191). THE PRC CONCLUDED A SIZEABLE CONTRACT FOR 1976 EXPORT OF OIL TO JAPAN, LIMITED OFFICIAL USE

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OFFERED OIL TO THAILAND ON A LONG-TERM BASIS, AND PREPARED AN OIL OFFER TO ITALY (ITEM 4). THE SINO-CANADIAN JOINT TRADE COMMISSION CONCLUDED A SUCCESSFUL SESSION IN PEKING AND A SUBSTANTIAL CANADIAN WHEAT CONTRACT WAS FINALIZED (ITEM 5). A NEW PHARMACEUTICALS FAIR OPENED IN SHANGHAI (ITEM 6). THE CHINESE AGREED FOR THE FIRST TIME TO HAVE GENERAL ELECTRIC STAGE TWO TECHNICAL SYMPOSIA IN MAY, AND TO SELL GE SOME MINERALS

(HONG KONG A-29). THERE WAS A NEW TRADE ACCORD WITH GHANA (ITEM 7), AND SENIOR LEVEL TRADE TALKS TOOK PLACE WITH SYRIA (ITEM 8).

A WELL-PUBLICIZED SHARP DECLINE IN PRC EXPORTS OF FOOD TO HONG KONG APPEARED DUE TO SEASONAL FACTORS RATHER THAN CAMPAIGN DISRUPTIONS (ITEM 9), AND A SHARP DECLINE IN FEBRUARY AND MARCH OIL SHIPMENTS TO JAPAN SEEMED TO REFLECT PRC BARGAINING TACTICS CONNECTED WITH THE SINO-JAPANESE LONG-TERM OIL AGREEMENT, OR POSSIBLE TECHNICAL-LOGISTICAL PROBLEMS (HONG KONG 2089).

2. ECONOMIC CRITICISMS AGAINST "CAPITALIST ROADERS"

AS THE CAMPAIGN IN CHINA CONTINUED TO GATHER STEAM, PUBLICATIONS HAVE BECOME SOMEWHAT MORE SPECIFIC ABOUT "THE ECONOMIC TYPHOON" WHICH "THE UNREPENTANT CAPITALIST ROADER" AND HIS COHORTS ALLEGEDLY STIRRED LAST SUMMER. THE TYPHOON IS SAID TO HAVE ENCOMPASSED, AMONG OTHER MATTERS, ERRONEOUS CONTENTIONS (1) THAT THE PRINCIPAL CONTRADICTIONS IN INDUSTRIAL ENTERPRISES WERE NOT IDEOLOGICAL, BUT UNSOUND MANAGEMENT AND LOW SERVICEABILITY OF EQUIPMENT; (2) THAT THE MAIN TASKS OF COAL MINERS AND INDUSTRIAL WORKERS WERE TO PRODUCE NOT POLITICIZE; (3) THAT NARROWING OF WAGE DIFFERENCES IN INDUSTRY AND RESTRICTION OF "BOURGEOIS RIGHTS" IN THE COUNTRYSIDE WERE NOT NOW ADVISABLE; AND (4) THAT PROFESSIONALS (OR AT LEAST "ENTHUSIASTIC" NONPROFESSIONALS) SHOULD HAVE A LARGER ROLE IN ENTERPRISE AND LABORATORY MANAGEMENT, AS WELL AS SCATTERED REINTRODUCTION OF MATERIAL INCENTIVE AND PROFITABILITY CONCEPTS. THE CRITICS VOCIFEROUSLY INSISTED THAT THEY WERE MUCH MORE GENUINELY INTERESTED IN OVERALL RAPID ECONOMIC DEVELOPMENT THAN "THE CAPITALIST ROADERS," AND THAT IDEOLOGICALLY CORRECT ECONOMIC PRACTICES WOULD PROMOTE SUCH DEVELOPMENT. LIMITED OFFICIAL USE

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MENT. THERE HAVE BEEN NO SOLID INDICATIONS YET THAT THE CURRENT STRUGGLE INVOLVES INDIVIDUAL ECONOMIC PRIORITIES. BUT THE LACK OF PERSUASIVE EVIDENCE THAT THE FIVE YEAR PLAN HAS BEEN ADOPTED, PLUS MUTTERINGS IN PEOPLE'S DAILY OF FEB 24 AND 28 ABOUT THE NEED FOR PLANS "WHICH REALLY GIVE PRIORITY TO AGRICULTURE" AND FOR STRUGGLE "OVER WHAT KIND OF MODERNIZATION WE NEED" SUGGEST THE POSSIBILITY THAT DIFFERENCES EXIST. ALTHOUGH "THE CAPITALIST ROADERS" HAVE BEEN ACCUSED OF FAVORING SERVICE FOLLOWING BEHIND OTHER COUNTRIES, THE CAMPAIGN HAS NOT SO FAR BEEN DIRECTED AGAINST IMPORT OF FOREIGN TECHNOLOGY, WITH THE MOST AUTHORITATIVE ARTICLE TO DATE COMING OUT IN FAVOR OF "ADOPTING WHAT IS GOOD" AND "MAKING FOREIGN THINGS SERVE CHINA." LIMITED OFFICIAL USE.

3. AGRICULTURAL CAPITAL CONSTRUCTION - LIMITS OBSERVED
AN NCNA RELEASE FEB 18 DESCRIBED CHINA'S AGRICULTURAL
CAPITAL CONSTRUCTION PROJECTS DURING THE LAST FIVE YEAR
PLAN AS HAVING BEEN ON A LARGER SCALE THAN IN ANY
PREVIOUS PERIOD. AVERAGE NUMBER OF PEOPLE ENGAGED
IN CONSTRUCTIN EACH YEAR REPORTEDLY EXCEEDED 100 MILLION,
ABOUT 1.3 MILLION HECTARES OF ADDITIONAL LAND WERE
BROUGHT UNDER IRRIGATION ANNUALLY, AND A LIKE AMOUNT
WAS GIVEN IMPROVED DRAINAGE.

ALMOST ALL OF THE MAJOR IMPROVEMENT WORK TAKES
PLACE DURING THE WINTER-CONSTRUCTION SEASON. AS YET,
NO OVERALL STATISTICS HAVE BEEN RELEASED FOR 1975-76;
HOWEVER, THE RECORD OF THE PREVIOUS SEASON WILL BE HARD
TO BEAT. THE 1974-75 PERIOD, IT IS CLAIMED, BROUGHT
FOUR MILLION HECTARES UNDER IRRIGATION AND MOVED
TWICE AS MUCH EARTH AND STONE (11 MILLION CUBIC METERS)
AS IN PREVIOUS YEARS.

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FROM A SAMPLING OF PROVINCIAL CLAIMS, IT WOULD
APPEAR THAT NO MORE THAN A MARGINAL INCREASE AT BEST
IN LABOR AND PROJECTS HAS OCCURED DURING THE CURRENT
WINTER SEASON. HUNAN, FOR EXAMPLE, HAS COMMITTED 12
MILLION PEOPLE TO AGRICULTURAL CONSTRUCTION IN THE
CURRENT CAMPAIGN- THE SAME NUMBER AS IN THE PREVIOUS ONE.
KWEICHOW APPEARS TO HAVE ASSIGNED SOMEWHAT FEWER PEOPLE
IN THE CURRENT SEASON THAN IN THE LAST ONE (6 MILLION TO
6.7 MILLION), WHILE YUNNAN HAS INCREASED ITS
AGRICULTURAL CONSTRUCTION LABOR FORCE FROM 3.7 MILLION
IN 1974-75 TO OVER FOUR MILLION THIS YEAR. LIAONING
ALSO HAD MORE PEOPLE WORKING ON CAPITAL CONSTRUCTION IN
THE PREVIOUS SEASON THAN IN THE CURRENT ONE (5.2 MILLION
FALL OF 1974 VS. 4.1 MILLION-FALL OF 1975).

WHILE THESE STATISTICS ARE FAR FROM CONCLUSIVE,
THEY DO SUGGEST THAT A PRAGMATIC LIMIT IS BEING OBSERVED
IN TERMS OF MANPOWER COMMITTED TO FARMLAND CONSTRUCTION
PROJECTS. SUCH AN APPROACH IS CRUCIAL IN RURAL
AREAS WHERE LABOR HAS TO BE ALLOCATED WITH A VIEW NOT ONLY
TO CAPITAL CONSTRUCTION INVESTMENT IN FUTURE HARVESTS,
BUT ALSO TO PREPARING FOR THE NEXT ONE. LIMITED OFFICIAL USE

4. PRC OIL SOLD TO JAPAN AND OFFERED TO ITALY

WHILE PEKING SOLD SOME OIL TO JAPANESE IMPORTERS
IT WAS ALSO SEEKING TO EXPAND OIL EXPORTS TO THAILAND,
AND OFFERED SOME TO ITALY.

IN PEKING MARCH 3, THE JAPAN-CHINA OIL IMPORT COUNCIL--
THE SMALLER OF JAPAN'S TWO PRC OIL IMPORTERS--PURCHASED
2.1 MILLION TONS OF OIL FOR DELIVERY DURING 1976.
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JANUARY-MARCH OIL SHIPMENTS ARE PRICED AT \$12.20
A BARREL, UNCHANGED FROM LATE LAST YEAR'S PRICE, AND
QUARTERLY NEGOTIATIONS WILL SET THE PRICE OF LATER
SHIPMENTS. THE 2.1 MILLION TON SALE, THE SAME AS LAST
YEAR'S INITIAL CONTRACT WILL INDIRECTLY PUT PRESSURE
ON THE OTHER JAPANESE IMPORTER--THE INTERNATIONAL OIL
TRADING COMPANY--ALSO TO PURCHASE AT LEAST AN EQUAL
AMOUNT OF CHINESE CRUDE AS IT DID LAST YEAR. PREVIOUSLY,
THE JAPANESE HAD SAID THEY WANTED TO REDUCE TOTAL
CHINESE OIL IMPORTS FROM 1975'S 8.1 MILLION TONS
TO AROUND 6 MILLION TONS, CITING THE DEPRESSED ECONOMY
AS THE REASON. PRESUMABLY, ANY SHORTFALLS IN PRC OIL
DELIVERIES DURING THE FIRST QUARTER OF 1976 (SEE HONG
KONG 2089), WILL BE MADE UP DURING LATER MONTHS.

ACCORDING TO THAI GOVERNMENT OIL POLICY COMMITTEE
MEMBER, THE PRC HAS REPORTEDLY OFFERED TO SET UP A
TANK FARM IN THAILAND TO STORE CHINESE CRUDE ON A LONG-TERM
BASIS (FBIS FROM BANGKOK POST). THIS UNPRECEDENTED PRC
OFFER, AND THE THAI FOREIGN MINISTER'S REPORTED
REQUEST TO PEKING TO SEND TWO EXPERTS TO HELP IN
ADAPTING THAI CRUDE OIL REFINING METHODS (AFP BANGKOK
FEB 20,) POINT UP BOTH THE SERIOUSNESS OF THE PRC
EFFORT TO BREAK INTO NEW OIL MARKETS AND THE
DIFFICULTIES OF INCREASING EXPORTS OF HIGH-WASN CONTENT
CRUDE OIL TO COUNTRIES ACCUSTOMED TO IMPORTING PERSIAN
GULF CRUDE.

SEARCHING FOR NEW MARKETS, PEKING IS CONSIDERING
OFFERING CHINESE CRUDE TO ITALY (AP IN HK WEN WEI PAO
FEB 16). THIS TOPIC HAD BEEN DISCUSSED EARLIER,
DURING THE OCTOBER 1975 VISIT OF INDUSTRIALIST AGNELLI
OF FIAT. TRANSPORTATION COSTS WILL BE A MAJOR FACTOR.
UNCLASSIFIED

5. WHEAT IMPORTS TO DROP STILL FURTHER

IN FEBRUARY PEKING PURCHASED 35.4 MILLION BUSHELS

(ABOUT 950,000MT) OF CANADAIN WHEAT WORTH AROUND
\$150 MILLION FOR DELIVERY BETWEEN APRIL AND DECEMBER.
UNDER THE 1975 SINO-CANADIAN CONTRACT SCHEDULE, ABOUT
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300,000 MT OF WHEAT WORTH ARTUND \$50 MILLION IS TO BE
DELIVERED BETWEEN JANUARY-MARCH 1976. PRC IMPORTS OF
CANADIAN WHEAT IN 1976 WILL PROBABLY TOTAL ABOUT 1.25
MILLION MT WORTH AROUND \$200 MILLION.

EARLIER THIS YEAR, AUSTRALIA SOLD 700,000 MT WORTH
ABOUT \$80 MILLION. IN ADDITION, UNDER THE 1975
CONTRACT, AROUND 250,000 MT WORTH ABOUT \$30 MILLION IS
DUE TO BE SHIPPED DURING JANUARY-MARCH, ESTIMATED
1976 IMPORTS OF AUSTRALIAN WHEAT ARE THUS 950,000 MT
WORTH \$110 MILLION.

OVERALL, 1976 CHINESE WHEAT IMPORTS SHOULD REACH
ONLY AROUND 2.2 MILLION MT WORTH ABOUT \$310 MILLION.
THIS ESTIMATE CONTRASTS WITH THE 1975 ESTIMATED TOTAL
WHEAT IMPORTS OF AROUND 3.3 MILLION MT WORTH AROUND
\$525 MILLION, AND EVEN MORE STARKLY WITH THE
UNPRECEDENTED 1974 TOTALS OF 7.0 MILLION MT WORTH
\$1.2 BILLION. GOOD HARVESTS RECENTLY, AND CONTINUED
FOREIGN EXCHANGE CONSTRAINTS APPEAR TO BE PRIME FACTORS
BEHIND THIS DROP IN PRC WHEAT IMPORTS. LIMITED OFFICIAL
USE.

6. SHANGHAI PHARMACEUTICALS FAIR SEES FEW US FIRMS

THE SINOCHEM-SPONSORED PHARMACEUTICALS AND MEDICAL
INSTRUMENTS FAIN IN SHANGHAI--SCHEDULED TO RUN FROM FEB.
20 TO MARCH 6-- HAS SO FAR SEEN FEW AMERICANS-- A PATERN
CHARACTERISTIC OF THE TWO MINI-FAIRNS EARLIER THIS YEAR.
ACCORDING TO THE FAIR'S DIRECTOR, MR. MAO, AS OF FEB.
26 ONLY 10 AMERICANS HAD VISITED THE FAIR, AND NO MORE
WERE EXPECTED. THE TIGHT-LIPPED MR. MAO SAID ONLY
THAT "SONEHAD BOUGHT MUCH, OTHERS LITTLE", BUT DID
INDICATE THAT LACK OF MFN TREATMENT WAS AN OBSTACLE IN EX-
PORTING TO THE US.

THE FIRST SUCH FAIR WAS HELD LAST YEAR, AND SPONSORED
BY JUST THE SHANGHAI SINOCHEM BRANCH. THIS YEAR, SEVEN
OTHER BRANCHES PARTICIPATED AS WELL. MR. MAO SAID THAT
PROBABLY MORE MINI-FAIRS WILL BE MOUNTED, BUT NOT
NECESSARILY ON AN ANNUAL BASIS. THE MINI-FAIR'S ADVANTAGE
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IS TO ALLOW "NEGOTIATIONS IN DEPTH", AS OPPOSED TO THE CANTON FAIR'S FRENETIC PACE OF BUSINESS.

JAPANESE AND EUROPEAN BUSINESSMEN APPEARED TO PREDOMINATE AT THE FAIR. THERE WERE NO DISPLAYS; PURCHASING WAS DONE MAINLY ON SPECIFICATIONS. A GOOD SUMMARY VIEW WAS OFFERED BY AN IRANIAN BUSINESSMAN ATTENDING THE FAIR. HE NOTED THAT THE CHINESE WERE HARD BARGAINERS, BUT THEY OFFERED GOOD QUALITY MEDICAL INSTRUMENTS AT ATTRACTIVE PRICES, AND HE SAW AN EXTENDING MARKET FOR THESE PRODUCTS IN IRAN. LIMITED OFFICIAL USE

7. SINO-GHANA TRADE TO GROW IN 1976

SINO-GHANIAN TRADE WILL INCREASE IN 1976 OVER 1975 LEVELS, ACCORDING TO A PRESS REPORT FROM ACCRA. UNDER THE TERMS OF A TRADE PROTOCOL SIGNED THERE MARCH 3, GHANA WILL EXPORT GTODS WORTH POUNDS 7 MILLION (\$14 MILLION) IN EXCHANGE FOR CHINESE GOODS OF EQUAL VALUE (SCM POST MARCH 4). THE 1975 TRADE PROTOCOL PROVIDED FOR BALANCED TRADE TOTALING \$21 MILLION (1975 ER 11, HK-6031). LETTERS WERE ALSO EXCHANGED EXTENDING FOR ONE YEAR THE 1972 TRADE AND PAYMENTS ACCORD WHICH EXPIRES ON MARCH 26 THIS YEAR (NCNA).

THIS YEAR THE COMMODITY COMPOSTION MAY CHANGE, SINCE IN AUGUST THE NEW CHINA NEWS AGENCY (NCNA) REPORTED THAT THE GOG HAD BANNED IMPORT OF ALL TEXTILE GOODS. IN THE PAST, PEKING HAS IMPORTED COCOA, TIMBER, DIAMONDS, TOBACCO AND OTHER COMMODITITES, WHILE EXPORTING TEXTILES, COTTON YARNS, STEEL, METAL, AGRICULTURAL IMPLEMENTS AND GENERAL MERCHANDISE (1975 ACCRA 3307). IN EARLY 1975, PEKING REFUSED TO RESPOND TO ACCRA'S INTERST IN IMPORTING CHINESE CRUDE OIL (1975 HK -2441). LIMITED OFFICIAL USE.

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8. SYRIANS TALK TRADE, POSSIBLY INCLUDING COTTON

THE SYRIAN ECONOMIC DELEGATION--LED BY THE STATE
MINISTER FOR PLANNING, AND THE ASSISTANT ECONOMIC
AND EXTERNAL TRADE MINISTER--HELD TALKS IN PEKING

DURING THE LATTER PART OF FEBRUARY WITH FOREIGN TRADE MINISTER LI CHIANG. THE DISCUSSIONS CONCERNED FURTHER EXPANSION OF ECONOMIC COOPERATION AND TRADE (NCNA).

SINO-SYRIAN TRADE HAS INCREASED RAPIDLY OVER THE PAST FEW YEARS. IN 1970, CHINESE EXPORTS WERE \$10 MILLION AND IMPORTS \$14 MILLION. BY 1974, EXPORTS REACHED \$42.2 MILLION AND IMPORTS \$33.4 MILLION.

TRADE IN FIBERS AND TEXTILES MAY HAVE BEEN AN AGENDA TOPIC. CHINESE IMPORTS CONSIST MAINLY OF RAW COTTON. WITH CHINESE TEXTILE EXPORTS APPARENTLY ON THE RISE AGAIN, THE CHINESE MAY BE SECURING COTTON SUPPLIES NOW. CHINESE AID PROJECTS TO SYRIA INCLUDE TWO YARN FACTORIES AND EXPANSION OF A CHINESE-BUILD TEXTILE MILL. THESE TOPICS MAY ALSO HAVE BEEN DISCUSSED DURING THE JUNE 1975 VISIT OF THE SYRIAN INDUSTRIAL DELEGATION, LED BY THE SYRIAN TEXTILE INDUSTRY UNION'S GENERAL DIRECTOR. UNCLASSIFIED.

9. PRC SUPPLIES TO HONG KONG DROP SHARPLY

HONG KONG NEWSPAPERS HAVE REPORTED A SHARP DROP IN SUPPLIES OF FRESH FOODS AND OTHER FOODSTUFFS FROM THE PRC. THE DECLINE IS MOST NOTICEABLE IN LIVESTOCK--PIGS AND CATTLE--AND IN RICE, FOR WHICH PRICES ON THE LOCAL MARKET HAVE CLIMBED QUICKLY. ONE LOCAL NEWSPAPER, THE HUA CHIAO JIH PAO, REPORTED THAT SUPPLIES ORIGINATING FROM NEARBY KWANGTUNG--BROUGHT IN PRIMARILY BY LIGHTER--HAVE BEEN ARRIVING AT A FAIRLY NORMAL PACE, BUT THAT SHIPMENTS BY RAIL FROM CENTRAL AND EASTERN CHINA HAVE DROPPED MORE SHARPLY.

AT THIS POINT IT IS TOO EARLY TO DRAW ADVERSE LIMITED OFFICIAL USE

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IMPLICATIONS FROM THE REPORTS. SEASONAL FLUCTUATIONS ARE NORMAL AROUND CHINESE NEW YEAR WHEN SUPPLIES BUILD UP AND THEN FALL OFF. ONE INDICATOR, FREIGHT CAR ARRIVALS, FOR EXAMPLE, DECLINED MORE SHARPLY IN THE MONTH AFTER 1975'S CHINESE NEW YEAR (32 PERCENT) THAN IN THE SAME PERIOD THIS YEAR (26 PERCENT). NEVERTHELESS, AS A VERY VISIBLE INDICATOR OF CHINESE TRADE AND INDIRECTLY OF THE STATUS OF DOMESTIC PRODUCTION AND TRANSPORTATION, LOCAL OBSERVERS WILL BE WATCHING DEVELOPMENTS IN MARCH VERY CLOSELY. LIMITED OFFICIAL USE.

10. PRC, SRI LANKA, PAKISTAN - SHIPPING DEVELOPMENTS

THE SINO-SRI LANKA JOINT SHIPPING CORPORATION HAS EXPANDED ITS SERVICE TO EUROPE IN 1976. THE NEWS WAS ANNOUNCED AT A CELEBRATION IN COLOMBO FEB 12 MARKING THE ARRIVAL OF THE FIRST CARGO FROM EUROPE ON THE CEYLON SHIPPING CORPORATION VESSEL, KANKA RANI (AFP COLOMBO FEB 13).

THE SINO-SRI LANKA JOINT SHIPPING SERVICE WAS

INAUGURATED UNDER AN AGREEMENT SIGNED IN APRIL 1972. ALTHOUGH THE AGREEMENT WAS ORIGINALLY DESIGNED TO COVER SERVICE ONLY BETWEEN THE TWO COUNTRIES, THE CORPORATION'S FLEET HAS EXPANDED AND OUTGROWN ITS INITIAL QUANTITATIVE LIMITATIONS. THE JOINT SHIPPING CORPORATION NOW OWNS A FLEET OF EIGHT MERCHANT VESSELS, ALL UNDER THE SRI LANKAN FLAG. TWO OF THE CORPORATION'S VESSELS WERE ACQUIRED DIRECTLY FROM THE PRC AND TWO WERE PURCHASED WITH PRC FINANCIAL ASSISTANCE.

THE SRI LANKAN ANNOUNCEMENT COINCIDES WITH A REPORT THAT A REGULAR SHIPPING SERVICE BETWEEN PAKISTAN, CHINA AND THE PERSIAN GULF WILL BEGIN LATER IN MARCH UNDER THE AUSPICES OF THE NATIONAL SHIPPING CORPORATION OF PAKISTAN. SIX SAILINGS A YEAR ARE SCHEDULED ON THE PAKISTAN-CHINA ROUTE (SOUTH CHINA MORNING POST, MARCH 4, 1976).

CLOSER BILATERAL SHIPPING RELATIONS BETWEEN THE PRC AND PAKISTAN AND SRI LANKA ARE A NATURAL OUTGROWTH OF THE PRC'S GROWING MARITIME BASE, AS WELL AS ITS CLOSE TRADE TIES WITH THE TWO COUNTRIES. IT ALSO REFLECTS PRC EFFORTS TO CARRY AS MUCH OF ITS TRADE AS POSSIBLE, OR AT LEAST TO INCREASE THE MEASURE OF CONTROL IT CAN EXERCISE OVER WHO DOES CARRY IT.

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HONG KONG 2239 - PRC-AUSTRALIAN SUGAR DEAL SHOWS PRC
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TRADE WITH THE PRC.

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Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976HONGK02595
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 12 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <12 APR 2004 by CunninFX>; APPROVED <14 JUL 2004 by morefirh>
Review Markings:

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04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PEOPLE'S REPUBLIC OF CHINA - ECONOMIC REVIEW 5
TAGS: ECRP, CH, XX
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006